## IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

JIANGSU HUARI WEBBING LEATHER CO., LTD.,

Case No. 1:23-cv-02605-JLR

Plaintiff,

**DECLARATION OF GEVIN RAI** 

v.

JOES IDENTIFIED IN SCHEDULE A,

Defendant.

## **DECLARATION OF GEVIN RAI**

## I, Gevin Rai declare:

- 1. I have owned Hyponix Brands Ltd. ("Hyponix") since 2018. My current position is President of Hyponix Brands Ltd. I have personal knowledge of the facts set forth in this Declaration.
- 2. Hyponix primarily sells its products through Amazon.com, and also at its own website at www.hyponixsportinggoods.com.
- 3. I only heard about this lawsuit and the corresponding court order which froze sales of my obstacle course ninja warrior kit product (specifically Amazon product ASIN number B08XWH4YLV) when Amazon sent me a notice on April 12, 2023 which included the case number for this proceeding (23-cv-02605). A true and correct copy of the Amazon notice was filed with the Court in this case at Dkt 15. Hyponix began selling this product in the United States in November 2022. I never received any notice or communications from Plaintiff.
- 4. Hyponix can easily be reached through our Email address at <a href="mailto:support@hyponixsportinggoods.com">support@hyponixsportinggoods.com</a>, which is prominently listed at the bottom of every page of our website, which anyone can find with a simple Google search for "Hyponix".
- 5. As owner at Hyponix, I have extensive experience designing these products and evaluating corresponding patents.
- 6. Looking at Plaintiff's cited US Patent No. 11,478,673 in light of our relevant product, I don't believe anyone could conclude that there is infringement as claimed by Plaintiff.

- 7. Our estimates calculate our monetary damages since the improper takedown to be at about \$2,561.98 a day. The current total through 5 days of shutdowns totals \$13,258.27, and counting.
- 8. Amazon also froze our financial accounts and we have been unable to get paid on any of our products since April 12, 2023. Hyponix sells 14 other products on Amazon and this freeze affects our business as we are unable to get paid on any product, not just the accused product's proceeds.
- 9. Based on my 6 years of experience selling consumer products on Amazon, the non-monetary damages of this takedown and long-term implications are much more significant, as listed in part below:
  - a. Lost opportunities: While your product is unavailable on Amazon, potential customers may turn to competitors' offerings, leading to lost sales and missed opportunities for building a loyal customer base.
  - b. Impact on brand image: The takedown may create a negative perception of your brand among customers who might associate the removal with poor quality or other undesirable factors, damaging your brand's reputation and value.
  - c. Increased advertising and marketing costs: In order to try and rebuild your product's visibility and sales momentum, you may need to invest more in advertising and marketing efforts once the product is reinstated on Amazon.
  - d. Strained supplier relationships: The halt in disbursements may lead to delayed payments to suppliers, potentially straining your business relationships and affecting your company's creditworthiness.
  - e. Unable to place future purchase orders due to the halt on disbursements from Amazon.
  - f. Decreased sales rank, which hurts future performance on Amazon.
- 10. Hyponix's current commercial product which Amazon took down due to this court's injunction (ASIN number B08XWH4YLV, hereinafter the "Accused Product"), is

essentially the same as the one shown in our company video, available on Amazon's website at:

<a href="https://www.amazon.com/vdp/0a2a4daeb4c34e238547ab660c743bfc?product=B0BGDQF46S&ref=cm\_sw\_em\_r\_ib\_dt\_L2gvVVJHr1gRn">https://www.amazon.com/vdp/0a2a4daeb4c34e238547ab660c743bfc?product=B0BGDQF46S&ref=cm\_sw\_em\_r\_ib\_dt\_L2gvVVJHr1gRn</a>

with the only non-substantive difference being:

a. the M shape is black (as seen in this photo of the product) and not chrome as seen in the video:



11. As of April 14, 2023, the selling price of the Hyponix product taken down by Amazon per this Court's order was \$199.79, as indicated on the document in Exhibit D063, which is filed with the Court at Dckt 18-1. Exhibit D063 also states that the product is rated 4.5 stars by Amazon customers, which is very good. I understand that the Plaintiff's comparable commercial product sells for \$122.98.

12. A true and correct photo of our Accused Product's strap and buckle is seen below:



13. A true and correct copy of a photo of Hyponix's marketing materials for our Accused Product is seen below:



14. I just learned at approximately 7:00pm PST on Sunday April 16, 2023 that our Amazon account was unfrozen and the relevant goods with Amazon ASIN number B08XWH4YLV were reinstated.

I declare under penalty of perjury, under the laws of the United States of America, that the foregoing is true and correct.

Dated this day of April 17, 2023 at Surrey, British Columbia Canada.

Name: Gevin Rai